



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | APRIL 15, 2020**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on April 15, 2020 was called to order by President Safranski at 7:00 PM, in the Board Room at the District Administrative Facility, located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

### **DIRECTORS PRESENT ON CONFERENCE CALL**

President Michael Safranski  
Vice President Don Chadd  
Director Glenn Acosta  
Director Stephen Dopudja  
Director Edward Mandich

### **STAFF PRESENT ON CONFERENCE CALL**

Fernando Paludi, General Manager  
Lorrie Lausten, Principal Engineer  
Karen Warner, Senior Accountant  
Lisa Marie Sangi, Administrative Assistant

### **STAFF PRESENT AT ADMINISTRATION FACILITY**

Michael Perea, Assistant General Manager/District Secretary

### **DISTRICT CONSULTANTS PRESENT AT ADMINISTRATION FACILITY**

Rob Anslow, District General Legal Counsel (Atkinson, Andelson, Loya, Ruud & Romo - AALRR)

### **PUBLIC PRESENT ON THE CONFERENCE CALL**

Beth and Rick Heard, residents of Dove Canyon Community.

### **PLEDGE OF ALLEGIANCE**

All callers and attendees were instructed to face the nearest flag and site the Pledge of Allegiance. Mr. Perea led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

### **ITEMS TOO LATE TO BE AGENDIZED**

Mr. Paludi reported that District staff requests to add an agenda item related to Senate Bill 1386 as there is need to act on this matter at the meeting.

#### **Action:**

A motion was made by Director Acosta and seconded by Director Dopudja to agendize the matter at Item No. 16.  
The motion was approved by a vote of 5 - 0.

### **VISITOR PARTICIPATION**

No visitor participation was received.

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**ORAL COMMUNICATION**

No oral communication was received.

**DIRECTOR'S COMMENTS**

Director Mandich expressed his hopes that all in attendance were safe and healthy.

Director Dopudja reported that the South Orange County Wastewater Authority (SOCWA) Regular Board Meeting was cancelled. Director Dopudja expressed his hopes that all in attendance were safe and healthy.

Director Acosta expressed his appreciation to staff for their hard work.

Director Chadd briefly commented that the Fair Political Practices Commission (FPPC) had extended the Form 700 filing period.

Director Safranski had no comments.

**REPORT FROM THE GENERAL MANAGER**

Mr. Paludi provided the following report:

- Mr. Paludi expressed his appreciation to District staff for their hard work during this time.
- The District has filled a Customer Service Field Technician II position for succession planning purposes.
- Announced that Director Acosta in his professional National Association of Clean Water Agencies (NACWA) 2020 Public Community Outreach Award.

**CONSENT CALENDAR**

President Safranski indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

**Action:** A motion was made by Director Chadd and seconded by Director Acosta to approve the presented Consent Calendar Items. There was no further discussion. The motion was approved by a vote of 5 - 0.

**ADMINISTRATIVE MATTERS**

**ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING CURRENT PUBLIC HEALTH CONCERNS INCLUDING DISTRICT GOVERNANCE TO ADDRESS THE CORONAVIRUS, SAFETY OF DISTRICT SERVICES AND EMPLOYEES, AND/OR IMPACT TO BOARD & COMMITTEE MEETINGS**

Mr. Paludi presented this matter to the Board, and he mentioned this item will be a standing agenda item during the COVID-19 crisis. Mr. Paludi reported that District staff has taken the appropriate steps to protect each other and are actively monitoring this rapidly developing situation. Discussion occurred concerning coordination with Orange County Public Works (OCPW) for their staging response at the Joplin Youth Center in response to the spread of COVID-19. Mr. Paludi provided updates related to the Federal Emergency Management Agency (FEMA) reimbursement process and collaboration with neighboring agencies.

**Action:** The Board took no action on this matter.

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**ITEM 6: CONSIDERATION AND ACTION(S) ON RESOLUTION NO. 2020-1276 – RESOLUTION OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT DESIGNATING PERSONNEL TO ACT AS AGENTS WITH CAL OES AND FEMA FOR THE PURPOSE OF OBTAINING FEDERAL AND/OR STATE FINANCIAL ASSISTANCE IN THE EVENT OF FUTURE EMERGENCIES OR NATURAL DISASTERS AFFECTING TRABUCO CANYON WATER DISTRICT FACILITIES AND OTHER RELATED MATTERS**

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Mr. Paludi presented this matter for Board consideration, and he mentioned that this is related to the previously discussed item. Mr. Paludi reported that the proposed resolution and FEMA documentation is required in the event there is a possibility for reimbursement of incurred costs due to the spread of COVID-19. Discussion occurred concerning potential impacts to the District that may be considered reimbursable.

**Action:** A motion was made by Director Mandich and seconded by Director Dopudja to adopt Resolution No. 2020-1276 – Resolution of the Board of Directors of Trabuco Canyon Water District, Orange County, California, Designating District Personnel to Act as Agents with OES and FEMA for the Purpose of Obtaining Federal and/or State Financial Assistance in the Event of Future Emergencies or Natural Disasters Affecting Trabuco Canyon Water District Facilities. There was no further discussion.  
The motion was approved by a vote of 5 - 0.

**ITEM 7: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA) AND OTHER RELATED MATTERS**

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Mr. Paludi introduced this matter for Board consideration, and he reported that the District has not been in contact with the Developer, nor is the District aware of any updates from the City of Rancho Santa Margarita. Ms. Lausten reported that the parking study is currently paused due to the impacts of the spread of COVID-19.

**Action:** The Board took no action on this matter.

**FINANCIAL MATTERS**

**ITEM 8: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) FISCAL YEAR 2020/2021 BUDGET**

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Mr. Paludi presented this matter for Board consideration, and he provided a brief update on the Municipal Water District of Orange County (MWDOC) Fiscal Year 2020/2021 operating budget and policy issues. Mr. Paludi mentioned that the District signed on a joint member agency letter to MWDOC concerning certain budgetary items, and he indicated that the matters would be discussed at the MWDOC Manager's Meeting. Discussion occurred concerning MWDOC planned economic studies and anticipated retain connection charge adjustments.

**Action:** The Board took no action on this matter.

**ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT FISCAL YEAR 2020/2021 GENERAL FUND AND CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGETS**

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Mr. Paludi presented this matter for Board consideration, and he commented the District is currently developing the Fiscal Year 2020/2021 General Fund and Capital Improvement Program (CIP) budgets with a measure of conservative outlook due to the uncertainty of the ongoing COVID-19 pandemic. Discussion occurred concerning the impact of the Governor's executive order restricting disconnection of residential water services due to non-payment and other significant revenue impacts. Mr. Paludi commented that District staff will poll the Board of Directors to schedule a Special Board Meeting – Budget Workshop in the month of May 2020.

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**Action:** The Board took no action on this matter.

President Safranski requested to move Agenda Item 11 ahead of Item 10.

**ITEM 11: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT'S RATE ANALYSIS FOR WATER, WASTEWATER, AND NON-DOMESTIC WATER RATES AND CHARGES AND RELATED MATTERS**

Mr. Paludi introduced this matter for Board consideration, and he provided a brief status update to the Board of Directors concerning the proposed rate analysis. Mr. Paludi mentioned that due to the uncertainty of the financial impacts of COVID-19, that District staff recommend deferring discussion on this matter until July 2020.

**Action:** The Board took no action on this matter.

**ITEM 10: DISCUSSION AND ACTION ON PROPOSAL FOR ONSITE JANITORIAL SERVICES FOR DISTRICT ADMINISTRATION FACILITY**

Mr. Paludi presented this item for Board consideration, and he mentioned that this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported that District staff submitted a Request for Proposals (RFP) to four professional janitorial services firms and received two proposals. Mr. Perea provided a brief review of the service proposals for Board review, and he recommended OC Superior Cleaning for onsite janitorial services for the District's Administration Facility. Discussion occurred concerning the importance of cleanliness and level of service.

**Action:** A motion was made by Director Chadd and seconded by Director Dopudja to authorize the General Manager to negotiate and execute a contract with OC Superior Cleaning for a one-year term not to exceed amount of \$35,000. There was no further discussion. The motion was approved by a vote of 5 - 0.

**ENGINEERING MATTERS**

**ITEM 12: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING GROUNDWATER RESOURCES FEASIBILITY STUDY**

Mr. Paludi presented this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi added that District staff recommends receiving and filing the final reports and that the District may elect to act on the results later. Discussion occurred concerning current production levels and planned capital improvements at the Trabuco Creek Groundwater Treatment Facility.

**Action:** The Board received and filed the final Groundwater Resources Feasibility Study Reports.

**ITEM 13: DISCUSSION AND ACTION TO RATIFY CONTRACT CHANGE ORDER NO. 5 FOR PACIFIC HYDROTECH FOR RIDGELINE BOOSTER PUMP STATION IMPROVEMENTS AND CAPACITY INCREASE PROJECT**

Mr. Paludi presented this matter for Board consideration, and he mentioned that this project was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a brief project status update to the Board, and she reported that the preliminary electrical work has been completed with Southern California Edison (SCE) scheduled to complete the necessary electrical utility work. Ms. Lausten presented Contract Change Order No. 5 from Pacific Hydrotech for an epoxy flooring upgrade to the facility, and she recommended the completion of the flooring upgrade prior to project completion. Mr. Paludi added that this change order is at the District's cost only, and not shared with the Developer.

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**Action:** A motion was made by Director Dopudja and seconded by Director Acosta to approve Contract Change Order No. 5 to Pacific Hydrotech Corporation in the amount of \$9,100 for the facility epoxy flooring upgrade.  
The motion was approved by a vote of 5 - 0.

**ITEM 14: DISCUSSION AND STATUS UPDATE ON BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT**

Mr. Paludi presented this matter for Board consideration, and he expressed gratitude to Ms. Lausten and District Operations staff for their hard work on the facility upgrade design. Mr. Paludi added that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a project status update, and she reported that the District has pre-qualified five construction firms for the project. Ms. Lausten added that the pre-bid meeting is scheduled for next week, and that District staff may use a virtual facility walk-through. Discussion occurred concerning with public outreach to the residents on the project schedule and timeline for completion. Director Safranski commented on his project site visit and expressed his appreciation to staff for accommodating his request. Discussion occurred concerning facility aesthetics, temporary fencing upgrades, and the use of appropriate project signage.

**Action:** The Board took no action on this matter.

**ITEM 15: SADDLEBACK MEADOWS DEVELOPMENT (181 DUs) – HARRIS GRADE RESERVOIR REPLACEMENT COST SHARING AGREEMENT**

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi added that District staff have worked with General Legal Counsel to prepare a cost sharing agreement with California Quartet for the Harris Grade Reservoir Replacement Feasibility Study. Discussion occurred concerning the cost sharing methodology and ongoing discussions with US Forestry related to land use permit renewal. Mr. Paludi mentioned that the final draft agreement will be presented to the Board at the following Regular Board Meeting.

**Action:** The Board took no action on this matter.

**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 16: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

Mr. Paludi provided background on Senate Bill (SB) 1386 (Moorlach) which is related to a Proposition 218 issue concerning the protection and funding of fire hydrant systems because of recently filed lawsuits against certain water agencies to eliminate related charges. Mr. Anslow provided additional background on SB 1386 for the Board of Directors. Mr. Paludi recommended that the District and the Board of Directors take a support position on this proposed legislation and submit a letter of support.

**Action:** A motion was made by Director Chadd and seconded by Director Mandich to take a support position on SB 1386 (Moorlach) and to provide a letter of support. There was no further discussion.  
The motion was approved by a vote of 5 - 0.

**CLOSED SESSION**

The Board of Directors entered closed session in accordance with the agenda at 8:10 AM. Director Mandich recused himself from participating in the Closed Session. The District's General Manager, Assistant General Manager, Principal Engineer, and General Legal Counsel met with the Board of Directors in closed session.

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The Board reconvened in open session at 8:32 PM.

**ITEM 17: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION**

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**Action:**            There was no action to report.

**OTHER INFORMATION/MATTERS**

There were no other information or matters received.

**ADDITIONAL DIRECTORS' COMMENTS**

Director Safranski commended District staff and his fellow Board members for their dedication and hard work during this time of uncertainty.

**ADDITIONAL GENERAL MANAGER COMMENTS**

There were no additional General Manager comments received.

**ADJOURNMENT**

President Safranski adjourned the April 15, 2020 Regular Board Meeting at 8:38 PM.